

The Nigerian Budget: Using Creative Technology to Intersect Civic Engagement and Institutional Reform

Le Budget du Nigeria : Quand engagement civique et réforme institutionnelle se rencontrent grâce à l'innovation technologique

El presupuesto de Nigeria: utilizar tecnologías creativas para lograr un punto de encuentro entre el compromiso cívico y la reforma institucional

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The Nigerian Budget: Using Creative Technology to Intersect Civic Engagement and Institutional Reform

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Abstract. This study analyses the efforts of BudgIT, Nigeria's creative start-up, in making the Nigerian budget simple and accessible to every citizen. This includes its classification of citizens according to their understanding of public finance and its personalised approach in reaching out to them. In its 53 years of independence, Nigeria, which has an oil-driven economy, has had more than thirty-three years of military rule, which guarded the detailed budget as a state secret. Current efforts in the democratic regime have made both the proposed and enacted budget available to citizens as enabled by law. However, the budget is officially released in a non-readable format. In addition, most citizens have no clear understanding of government finances. BudgIT uses an array of technology tools to simplify the budget for citizens and also works with the civil society and media in data analysis and representation. BudgIT believes that the amplified voices of citizens based on better access to budgetary data can lead to institutional reform. It also works to improve the capacity of congressional budget offices to enhance budget performance. BudgIT methodology will use refined data mining skill sets to creatively present data and empower citizens to use the information that is available in demanding improved delivery of services.

Keywords. Technology, Budget, Government, Institutions, Transparency, Accountability, Nigeria

1. Introduction

1.1 The Nigerian Budget in Context

The advent of democracy in a developing and natural resources-driven economy, such as Nigeria's, carried scars of the military regime. A common tactic of autocratic regimes and dysfunctional democracies is to keep the populace ignorant of data and acts of public governance, thus causing democracy to be the ideal disinfectant of such ignoble practices.

Information inequity, the restrictions on the distribution of information, which rapidly inhibit debate, was a characteristic of Nigerian military regimes. When information asymmetry thrives in governance, especially around public finance, it draws a thick opaque curtain around public funds. This gives an opportunity for corruption to thrive. Although Nigeria now practices democracy, the appropriate structures are still evolving. Therefore, of greatest importance is the efficient and transparent management of its key resources – taxes, extractive revenue,

grants and other sources of revenue.

Opening up a resource-driven economy such as Nigeria's, where oil and gas revenues account for 74% of the actual receipts, is a herculean task. With the easy profits of oil disproportionately shared across the society, oil has become a symptom for a dysfunctional society creating a *rentier* state, strife among ethnicities and also a state-assisted oligarchy. The allocative efficiency of the revenues is reduced as revealed in the poor service delivery and socio-economic indicators, particularly in the Northern region.

A key practice of such a corrupt class is to wrap a thick curtain around government finances, especially the budget. A system of budget opaqueness breeds exclusion in the society through a closure of informed debate by the citizens, denying them their inalienable right to actively participate in the allocation of communal resources. This subtle system of weakening the institutions makes the budget a confidential document that is shared between the legislature and the executive arms of government. Such a

lack of discrete information about the budget allows a sitting executive to appropriate funds on a discretionary basis and without coherent planning.

1.2 Status of Budget Availability

The continuing establishment of key institutions as enabled by laws such as The Fiscal and Responsibility Act 2007, The Public Procurement Act 2007 and The Debt Management Office Act 2003 redefined access to the Nigerian budget. The key government budget institution, The Budget Office of the Federation, is mandated by law to provide medium-term estimates, proposed and final budgets, as well as budget implementation documents, by means of an online portal. However, these documents are provided to the citizens in a non-readable format.

According to the 2012 Open Budget Index, Nigeria scores 16 out of a possible 100. A proper citizens' budget, which is necessary for inclusive understanding of the planned spending, is not published. The mid-year review and audit report of the budget also are not publicly available. In the absence of the above documents, it is difficult for citizens to track and understand the government's financial performance. Although the enacted budget is fairly detailed at the national level, information at the sub-national level is overly protected. It is also difficult to obtain details of the expenditures approved for capital projects, limiting the ability of citizens to track projects in real time.

1.3 Financial Literacy and the Nigerian Budget

Nigeria, Africa's most populous nation, has an estimated population of 168.8¹ million people. Early reforms through liberalization of the telecommunication industry led to a sharp growth in the number of mobile subscribers. Although it has 119.5m² active mobile subscribers as at April 2013, Nigeria ranks low on the financial inclusion index with 34.9 m³ people, who represent 39.7% of the population, lacking access to banking services.

With such a huge segment of the adult population without access to the financial industry, there is a staggering number of citizens who cannot interpret and understand the budget. The persistent gap in interpretation of data concerning the key budget items, the specific allocation to the local environment, and performance metrics has not improved public awareness of the budget. Excluding citizens from the budget, which is adjudged to be the most important legal provision after the Constitution, through its arcane presentation and opaque structure has not fostered the civic participation needed for a functional democracy.

2. The Project

2.1 Defining the Goal

The lack of budget transparency and accessibility to the

Nigerian citizen led to the emergence of a creative start-up named BudgIT. BudgIT initially conceptualised and then developed Nigeria's foremost technology hub, Co-Creation Hub. Making the Nigerian budget simpler and accessible to the average citizen is a core goal of BudgIT. The availability of budgets in non-readable pdf formats by the government website provided an initial opportunity for BudgIT to implement its innovative idea by simplifying the budgets using infographics and interactive applications. BudgIT, with more than three million web views and 275,000 unique users, believes that active participation in government finance is essential to a functional society. Citizens need to know in a clear, timely and transparent manner how government revenues are used in delivery of public infrastructure, meeting debt obligations or funding the recurrent components of the budget.

BudgIT (yourbudgit.com) operates on the principles of open data, which stimulate transparency, accountability and better outcomes in the private and public sectors. Open access to data has been acknowledged to possess huge potential for illuminating issues and expanding the inclusion of citizens in informed debates. However, the mishandling of data in open formats can relegate facts to a context that wrongly informs or communicates nothing. BudgIT's goal of innovation is concerned with making public data a social object and building an extensive network of active citizens who demand institutional change.

To go beyond budget access through the use of infographics and interactive applications, BudgIT developed a new platform known as Tracka (<http://tracka.ng>). This website allows the citizens to track service delivery and report that to relevant institutions. These are the next steps based on users feedback and BudgIT intends to see that projects as stated in the budget come to reality and fulfil societal needs.

3. Segmenting Users for Proper Engagement

With poor literacy on the contextual understanding of the budget standing as a limiting factor to demand transparency and service delivery, BudgIT uses creative methods that include data mining, visual intelligence, info-graphic display and online interface expertise to deliver budgets to citizens. Starting with a baseline analysis of the level of public literacy and level of interest in matters of governance, an approach is adapted for each defined class in the society. BudgIT describes the society's citizens and their literacy by the four categories that follow:

1. **Public Finance Experts & Researchers:** are less than 2% of the entire population, this persons in this class, by virtue of their profession, are interested in a technical aspects of the budget, such as an analysis of the inflationary trends and macro-economic projections. Persons in this class have less interest than others in using the budget as an advocacy tool to demand better governance. They are interested primarily in the superlatives and not the granular citizen-centred data that foster institutional reform.

¹ World Bank

² Nigerian Communications Commission

³ 2012 Access to Financial Services Survey, EFINA

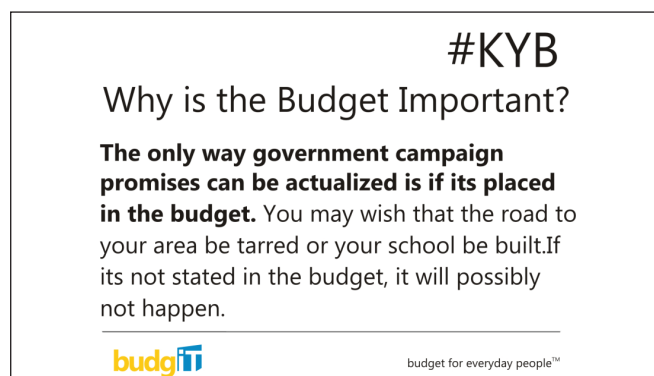


Figure 1. A sample document usually attached to a tweet which shows importance of the budget in simple language

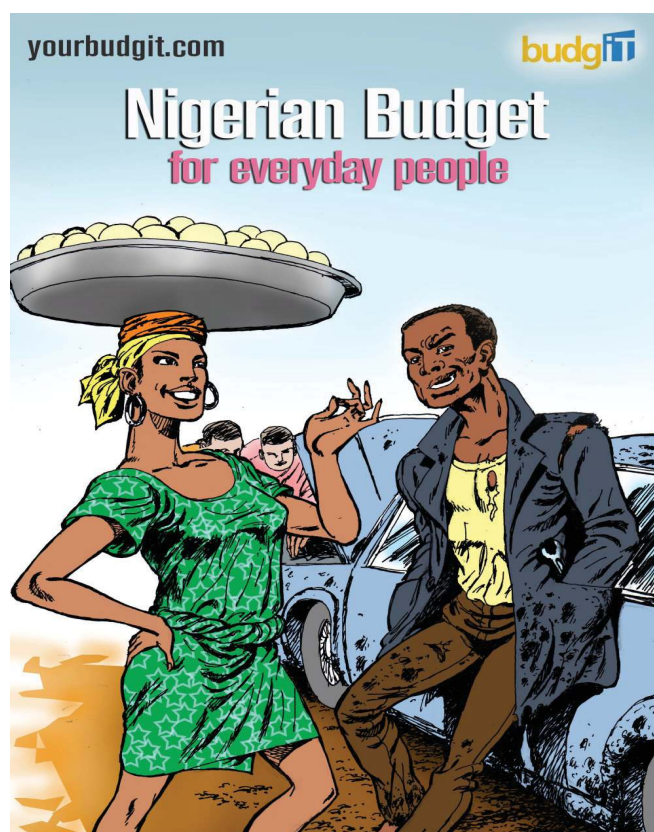


Figure 2. An advert for BudgIT which uses art to stimulate interest from citizens

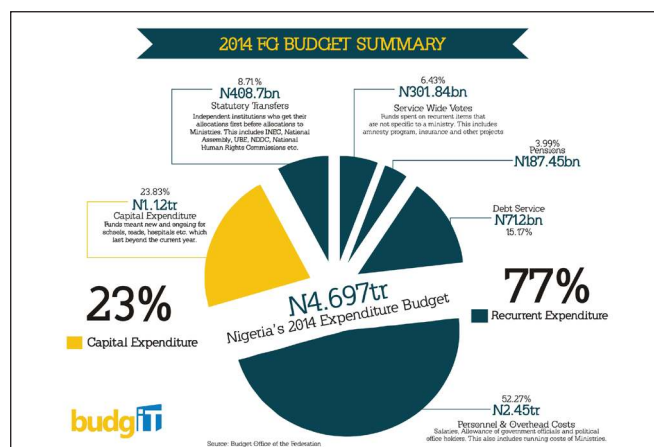


Figure 3. Sample infographic that shows a quick division of the budget for citizens

2. **Active and Literate Citizens:** are those who are most easily converted to the organisational cause of using data transparency to demand institutional reform as they are interested in the state of governance. Most importantly, these citizens need greater understanding of the budget framework and data to validate their concerns of poor service delivery. Members of this set are graduates of colleges and universities and it is not difficult to explain the structure of the budget and how efficient service delivery can be guaranteed by proper implementation. Members of this class frequent social media and offline networks and are early adopters of the BudgIT approach to simplify data for improved advocacy.
3. **The Inactive Literate Citizens:** these potential users have a negative approach to governance, classifying government as a bureaucratic entity that provides no tangible benefits to the citizen. Although they have a basic level of education that is sufficient to understand the budget, they need a compelling reason, possibly provided by extensive data simulation, to appreciate public data.
4. **The Grassroots:** these citizens represent more than one half of the voting block and have little or no access to basic education. For the most part, the citizens in this class have no access to formal education and, hence, literacy or even access to the banking infrastructure. Consequently, they cannot understand core terms in the budget. A compelling approach is to shown them referenced data to explain exactly how the budget affects them.

The above classification of budget literacy classes was crucial to the development of the BudgIT's engagement strategy. It contributed to an understanding the data simulation approach and the best communication tool for each citizen. BudgIT's strategy was to map the array of tools, such as desktop web, mobile web, sms, apps, infographics, interactive applications, print, radio, television, games and community groups, for each specific access class. The BudgIT's continuous core effort is to creatively apply each tool to a budget access class for a clearer understanding of the budget process and relevant data and, in particular, to amplify the voices that demand institutional reform.

4. Methodology

4.1 Data Presentation Techniques

In driving the data to citizens, our core concern is how to attract maximum attention from our users and derive useful actions from them. BudgIT has found the following guides to be necessary:

1. **Data must be Actionable:** essential to our data presentation is simplicity and an ability to encourage action. BudgIT's presentations in their info-

graphics, interactive application or data access have been designed to initiate action. This approach is about making data analysis self-revealing to a stage at which citizens and civil society can confidently ask questions.

2. **Educate the Citizens:** based on the developing society in which BudgIT operates, the literacy of society is of the utmost concern. Citizens need background information to clearly ask questions. This necessitates clearer definition of terms surrounding the data published in creative formats. Based on research, becoming granular in the context of the data is most critical to building a body of followers that understands the subject of discussion. For example, public finance items, such as recurring or capital expenditures represent definitions that have been to encourage core understanding by users.
3. **An Incentive for Citizens:** Open Data needs to be citizen-centred. There is a need to focus on building open data on basic things that matter to the individual. If open data and its visualisations remain at the macro level and are not created to focus on a citizen, it may communicate too little. At BudgIT, public finance data is processed to such an extent that the citizen becomes aware of capital projects and revenue allocations within his/her neighbourhood. A citizen is more likely to harness the power of data, properly ask questions or trigger a debate by access to such personalized information.
4. **Tell A Story:** Data Access in our literary class must tell a story to stimulate larger interests within the community. With visualizations built around it, data access must shine light on winding corners. It must bring forth human angle stories by converting a stack of information to a moving narrative that creates a sense of ownership in the user. For example, BudgIT goes beyond telling our users of Nigeria's oil revenue, which equals, billions of US Dollars. For such data to be meaningful to citizens who earn less than \$5,000 annually, BudgIT describes the purchasing power of such huge amounts (oil revenue) in terms that relate to pressing community needs.
5. **Provide Feedback to Institutions:** Public Data is linked to a feedback system that allows citizens or users to contact elected officials, public servants and other stakeholders on the supply side. Debate, discussions and comments that arise on the basis of interactions with open data and its visualizations must reach the institution that is responsible for data. As a creative open data start-up, BudgIT has a system that provides feedback to the head of implementing agency, the legislator representing the area in which the project is located and the finance ministry that is expected to disburse the funds. Such is the power of open data and citizens who believe

that someone on the supply side attends to their concerns.

4.2 Work Methodology

BudgIT work methodology to fulfil its goals is provided below sequentially:

1. **Data Mining** – BudgIT sources data from government or high level research organizations that handle public data. BudgIT data analysts use technology tools to mine the data to a simpler level where the finer details that citizens need are aggregated. Our data is not crowd-sourced and must be perceived as accurate when released by public ministries and agencies.
2. **Data Verification:** Mined public data is verified by an independent person within the organisation to ensure that there are no errors, especially in situations when there are format conversions.
3. **Creative Display:** After data analysis, the best creative pattern in which to represent data is chosen. It may be by the use of an interactive platform or infographics.
4. **Sharing:** Using our web footprint, BudgIT shares our products by means of social media network, mainstream media and other online tools. BudgIT has also provided data to citizens who have no access to the internet by printed text.
5. **Feedback:** BudgIT uses its feedback systems to improve its engagement with citizens. Feedback from citizens is aggregated in reports and sent to government institutions to request that the latter act in the best interests of the citizens.

5. Results

5.1 Driving Information to Citizens

At the core of BudgIT's goals is to amplify the voices of the electorate. This is to get citizens to understand the budget and use it as a tool for institutional improvement. Currently, the organisation's sphere of influence has been strong in the social media with a focus on social-urban young people. Its current plan is to reach out to the grassroots of the electorate using communication tools adapted to them, including radio, sms and print documents. This approach has been adopted using Ekiti State as a pilot project. Working with other civic minded organisations, BudgIT distributed more than 35,000 copies of simplified budget documents to citizens in Ekiti and Osun states. Citizens, including grassroots leaders and traditional leaders, were shocked to see huge budget allocations for their communities. BudgIT's website has been visited by more than 275,000 unique visitors and also has processed more than 4,000 data requests from online visitors.

The growth of the online platform has been due largely to the budget cut application during the Occupy Nigeria

Movement – a protest against the removal of fuel subsidies and corruption in government. It has helped to communicate the importance of the budget. It has intensified the discussion of the importance of the budget and how its implementation affects citizens directly. BudgIT's engagement with government and civil society is also being used to press for an open budget that clearly specifies all items for citizens' understanding in the near term. Monthly allocations for communities and sub-national budgets are available on the BudgIT website, enabling citizens to see the public funds allocated to their local environment. Citizens have been able to request the refined 2012, 2013 & 2014 budget data analysis for personal use.

BudgIT's Twitter stream with more than 14,000 followers is a hive of daily commentary on the budget by active followers. It represents the first level of engagement on creative presentation of the budget. This stimulates discussion, demands more transparency and ensures government accountability. It also causes data to be more open and understandable and to ignite citizen participation.

With the advocacy project that is undertaken to provide budget access by printed text to citizen who have no internet access, robust discussions are initiated throughout individual and community groups that prompt effective government monitoring. BudgIT has used customized data representation tools to revolutionize engagement with Nigerians. This is also appreciated by international transparency and accountability groups. Organisations such as Open Knowledge Foundation, ONE and the International Budget Partnership have appraised BudgIT's approach to driving public literacy about budgets. Ngozi Okonjo-Iweala, the Nigerian Minister of Finance and a former World Bank Managing Director, also supports the idea as evidenced by her opinion piece that was published in the Financial Times. Citizens are asking the right questions from government officials on specific projects that are assigned in the budget to their areas.

5.2 Providing Institutional Support

Beyond social media, BudgIT is using the right approach to intersect institutional reform and civic engagement. Understanding the weakness of the Nigeria's legislative budget office, BudgIT's co-founders are consultants to the National Assembly Budget and Research Office⁴ through a DFID-funded project, which is intended to strengthen the bond between legislators (Federal and State) and citizens. Understanding the legislature is a core component of governance. BudgIT works with legislative committees (appropriation and finance) in shaping public policy in regard to linking the budget to resource-based planning.

The organisation also made three presentations to the National Assembly⁵ to explain how to use ICT effectively to monitor and evaluate budget performance. This was requested by the Office of the Senate President and supported by the DFID. It was anchored on the best ways to track budgets using constituency offices. BudgIT is part of the stakeholder

discussion of Nigeria's membership in the Open Government Partnership, which is necessary to remove the bottlenecks that limit effective use of the budget.

5.3 Civil Society Support

BudgIT has worked with the 33 civil society organisations and hosted a community of transparency-focused NGOs on November 15th 2011 at Co-Creation Hub. This was intended to inform them of its goal of strengthening budget access in Nigeria and the critical role of a civil society towards its grassroots. BudgIT has also participated in and made presentations at more than fifteen civil society sessions about the Nigerian Budget. It has been recognised as a data mining organisation, having provided support in data analysis for several civil society organisations. The latter include State Accountability and Transparency Initiative, Centre for Social Justice, Beacons, EiENigeria, Project Watch, iWatch Nigeria and Community Life Project.

Beyond social media, BudgIT uses a creative approach to connect institutional reform and civic engagement. Understanding the weakness of the Nigerian legislative budget office, the organisation's leaders have been consultants to The National Assembly Budget and Research Office through a DFID-funded project, which is intended to strengthen the cord between legislators (Federal and State) and citizens. Understanding the legislature is a core component of governance, BudgIT has made representations to legislative committees (appropriation and finance) in shaping public policy in regard to linking the budget to resource-based planning.

5.4 Media Partnership

Media organizations that target young urban people, such as YNaija, CP-Africa and TechLoy, have constantly appreciated BudgIT's initiatives. BudgIT has provided infographics for online digital new outlets, such as ScoopNG, YNaija and BusinessDay for simplified budget access. It has been recognised by Forbes Magazine as one of the top five African start-ups to watch. It also leads a Data Journalism Initiative that will help to improve newsrooms to properly represent data.

5.5 The Global Community

BudgIT is a member of the Open Spending Group in the United Kingdom and has contributed Nigeria's budget from 2009 to 2012 to the data hub. It has also been part of the discussions about developing a global structure for participatory budgeting. Its Team Leader has also contributed to Data Journalism Handbook based on BudgIT's visualization tool for the Nigerian Budget and the fact that public data is now within the social sphere.

6. Challenges

Key challenges for BudgIT include obtaining actual expenditure data from government and also meeting the expectations of excited citizens about government data, especially at the sub-national level where data is highly protected. With the

⁴ This body would act as a congressional budget office when the Act has been ratified and takes effect

⁵ The National Assembly is the country's highest legislative body

budget also provided in non-readable formats by government agencies, BudgIT must contend with putting data through several format conversions and still ensuring its accuracy.

On the demand side, apathy to governance is a very strong factor, especially among citizens at the bottom of the pyramid of society and who are most prone to populism and hand-outs by elected officials. Poor citizens who live primarily in rural neighbourhood idolize politicians and usually scuttle the efforts of citizens to demand accountability. Serial abdication of government responsibilities, difficulty in reading the budget and non-performance of the budget have increased the lack of interest among citizens in the semi-urban environment. This is an obstacle hurdle to overcome as citizens must be convinced that BudgIT's efforts will improve service delivery.

On the supply side, there is clearly a weak institutional framework, especially at the legislative end, which is meant to be an external accountability body. The legislature's budget office is weak and has not helped to foster data transparency and civic action. This has empowered the executive to present budget metrics almost unilaterally. This weakens the ability of citizens to have empirical and independent information with which to demand accountability or the provision of basic infrastructure in their neighbourhood.

7. Sustainability

In the short term, BudgIT's focus is on the mixed income of grants and paid revenues. It plans to run a sustainable organisation with a core focus of providing customised software solutions and the construction of creative communication capacity for Nigerian corporate and governmental organisations.

Higher revenues in the future will be created by building infographics for corporate organisations to interpret data for their shareholders, public community and other stakeholders. BudgIT is currently developing a customised software version of Tracka for Westminster Foundation for Democracy that facilitates the social tracking of gender projects. It is expected that the provision of such support to various organisations will generate considerable income.

8. Team

Three individuals lead the data analysis, technology development and creative design departments that manage the core of the BudgIT team.

Oluseun Onigbinde is the Co-founder/Team Leader of BudgIT. He graduated from the University of Agriculture, Abeokuta, in Electrical/Electronics Engineering. He gained valued experience in public finance while working with the Access Bank and First Bank of Nigeria as a Strategy and Business Intelligence Officer. In recognition of BudgIT's drive to make Nigeria's budget and public data more open, he was awarded the prestigious Ashoka Fellowship for Social Entrepreneurs and World Summit Youth Award.

Joseph Agunbiade is a Co-Founder and the Head of Technology of BudgIT. He is the leader on matters of technical expertise and product development. He is a graduate in

physics from the Federal University of Technology, Minna. He possesses specialized skills in Java, Javascript, PHP and other customized technology tools, such as Wordpress and Joomla.

Segun Adeniyi is an economics graduate from Obafemi Awolowo University. He is the organisation's Creative Leader and has sound analytical skills as a result of his background. He also possesses design skills that he acquired through training. He designs infographics intended to make budgets and public data more interesting.

9. Looking Forward

BudgIT has discovered the depth of apathy by citizens toward efforts to date to communicate the Nigerian budget. This has been of help in refining BudgIT's engagement strategy for different classes of citizens. The organisation also understands the lack of interest in public discussion of the Nigerian budget. It believes that certain legislation, such as the Fiscal Responsibility Act that anchor public finance, must be improved to ensure greater transparency and accountability. BudgIT has begun to engage the National Assembly committees on the sections of the law that inhibit transparency.

The BudgIT team is committed to making the organisation the trusted hub of public data for commercial and social interests. Providing data for corporations in the medium term is a key aspect of our sustainability strategy. BudgIT sees a larger role in fostering an open data culture in the country. It wants to strengthen its technical capacity to deliver Nigeria's first civic-led open data platform, which is sorely needed for developers, journalists, researchers and the open data community. With limited reach based on available resources, BudgIT wishes to put the Nigerian budgets into the hands of every Nigerian across all segments of society.

For institutions that require improved capacity building and refined policy formulation, BudgIT wishes to deliver budget analyses, public finance data and an open governance policy. These documents are meant to drive institutional reform in matters of service delivery, accountability and civic engagement.

As an organisation, BudgIT intends to go further along the value chain by moving from budget access to crowd-sourced civic tracking of public projects. Tracka, a product of BudgIT, is a social platform for active citizens who are interested in tracking budgets and public projects in their community. Layered on open data and integrated with existing social media tools, this platform will bring people of common interests together to share photos, videos, and documents and to post comments about existing projects. The platform is available on <http://tracka.ng>

BudgIT's short term plan is to develop solutions that can be replicated easily across Africa. This include smart visualisations that aid data-driven journalism, an African budget curation portal and an easy-to-deploy budget platform.

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